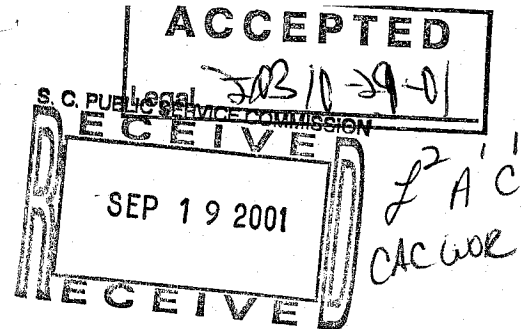


September 19, 2001

POSTED
09/19/01

Mr. Gary Walsh, Executive Director,
Public Service Commission of South Carolina
P. O. Drawer 11649
Columbia, S. C. 29211

2001-459-W



Dear Sir:

Stephenson's Lake Water System (a division of Dowd Water Works, Inc.) has contracted with the City of Chapin for the purchase of wholesale water to serve the twenty-five (25) existing customers in that subdivision.

Paragraph 7. of the contract states:

"Installation, ownership, operation and maintenance of any and all portions of water distribution system past the service delivery point shall be the sole responsibility of Sue Dowd, at no cost to Chapin; providing, however, any new installations shall be in accordance with Chapin's standard specifications for water main design and construction. Sue Dowd shall submit plans to Chapin for review and approval prior to proceeding with any construction of water main extensions past the service delivery points and shall afford Chapin the opportunity to inspect the construction as it may deem appropriate both during and at completion of construction."

The costs and/or values given up to tap onto the City of Chapin are itemized as follows:

1. Estimated costs by Engineering Firm to connect to Chapin	\$ 2,600
2. Engineering costs (Item #1 above)	\$ 1,200
3. To abandon four (4) wells per DHEC regulations	\$ 8,000
4. Remove 17,000 gallon tank and clean up property	\$ 6,000
5. Engineering design costs (Items #3 and #4)	\$ 3,000
6. Costs by a Chapin Construction company to install meters according to City of Chapin standards to existing customers at \$325 per customer (\$325 X 25)	\$ 8,125
7. To abandon existing property based on appraisal of 9-19-00 (Includes basic property and excludes roadbed, chlorinator, pump houses, pumps, etc.)	\$46,320
8. Costs of pumps replaced in June 2001 to also be abandoned	\$ 3,855
TOTAL COSTS/VALUES GIVEN UP:	<u>\$79,100</u>

DAVID KNIGHT
345-6540

MIKE GULLIDGE. BCB SRLF

#128/MO BFC
\$3.50/1000 gals

PAGE 2 OF 2

STEPHENSON'S LAKE WATER COMPANY, INC.

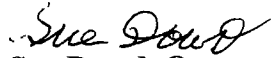
The Department of Health and Environmental Control (DHEC) has just recently approved twenty-one additional lots at this time with a possible eleven at a later date. In order to recover my present and future investment, I request the following tap fees for existing and future customers as follows:

Tap fee, existing customers, twenty-five (25)	\$ 900
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Tap fee, future customers, thirty-three (33) (same as the amount charged by the City of Chapin)	\$1,800
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Thank you for your prompt attention to this matter.

Sincerely yours,



Sue Dowd, Owner

Stephenson's Lake Water System, Inc.

77 Dowd Road

Prosperity, S. C. 29127

(803) 345-2285